

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	65604	Agenda Number	69.
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Meeting Date:	12/15/2016	Department:	Neighborhood and Community Development
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Subject

Set a public hearing to consider a resolution supporting an application to be submitted to the Texas Department of Housing and Community Affairs by Pathways at Gaston Place, LP, or an affiliated entity, for low income housing tax credits in connection with the rehabilitation of an affordable multi-family development to be located at 1941 Gaston Place. (District 1) (Suggested date and time: January 26, 2017 at 4:00 p.m. at Austin City Hall, 301 W. Second Street, Austin, TX).

Amount and Source of Funding

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Rosie Truelove, NHCD Interim Director, 512-974-3064; David Potter, Program Manager, 512-974-3192.
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

This action will set a public hearing to receive public comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2016 Uniform Multi-family Rules. To receive state allocated tax credits for the project, the applicant must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located. The property is located in Council District 1.

Proposed Project

Pathways at Gaston Place, LP, is planning to construct a 100-unit development located at 1941 Gaston Place, which would be 100% affordable to households with incomes at or below 60% Median Family Income (MFI), currently \$46,680 for a 4-person household. The development, to be known as the Pathways at Gaston Place Apartments, is proposed to be partially funded with 4% Low Income Housing Tax Credits, and Private Activity Bonds issued by

Austin Affordable PFC, Inc. No funding from the Austin Housing Finance Corporation is being requested.

Estimated Sources of Funds

<u>Sources:</u>		<u>Uses:</u>	
Private Activity Bonds	\$10,854,855	Acquisition Costs	\$ 6,670,000
Tax Credit Equity	7,548,340	Rehabilitation/Hard Costs	8,586,195
Debt Financing	1,988,000	Soft and Financing Costs	2,648,000
Total	\$20,391,195	Reserves and Developer Fee	2,487,000
		Total	\$20,391,195

Project Characteristics

- 96 one-bedroom/one-bath units (approximately 578 square feet, approximate rent \$584).
- 4 two-bedroom/two-bath units (approximately 828 square feet, approximate rent \$736).

Population Served

- 100% of units will be reserved for individuals or families with incomes at or below 60% MFI, currently \$32,700 for a single-person household and \$46,680 for a 4-person household.

Current Property Tax Status and Future Impact

The property is currently 100% tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the residential use of this property will be eligible for any exemptions after the property is rehabilitated.

Pathways at Gaston Place, LP

The development will be owned by Pathways at Gaston Place, LP, an affiliate of Austin Affordable Housing Corporation (AAHC), a non-profit subsidiary of the Housing Authority of the City of Austin (HACA). AAHC was created in 2003 to preserve and increase the stock of affordable housing for low to moderate-income families in Austin as well as provide financial literacy and homeownership opportunities. AAHC's real estate portfolio consists of office buildings, a shopping center, single-family houses and multi-family rental developments.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Application here:

<http://austintexas.gov/page/fy-15-16-funding-applications>